

## Department of Energy

## § 300.11

are documented and explained in the entity statement.

(c) *Additional requirements for registering.* The certification statement of an entity registering reductions must also certify that:

(1) The reporting entity took reasonable steps to ensure that direct emissions, emission reductions, and/or sequestration reported are neither double counted nor reported by any other entity;

(2) Any emissions, emission reductions, or sequestration reported that were achieved by a third party are included in the report only if there exists a written agreement with each third party providing that the reporting entity is the entity entitled to report these emissions, emission reductions, or sequestration;

(3) None of the emissions, emission reductions, or sequestration reported are a product of shifting emissions to other entities or to non-reporting parts of the entity;

(4) None of any reported changes in avoided emissions associated with the sale of electricity, steam, hot or chilled water generated from non-emitting or low-emitting sources are attributable to the acquisition of a generating facility that has been previously operated, unless the entity's base period includes generation values from the acquiring facility's operation prior to its acquisition;

(5) The reporting entity maintains records documenting the analysis and calculations underpinning the data reported on this form for a period of not less than three years; and

(6) The reporting entity has, or has not, obtained independent verification of the report, as described in § 300.11.

### § 300.11 Independent verification.

(a) Reporting entities are encouraged to have their annual reports reviewed by independent and qualified auditors, as described in paragraphs (b), (c), and (f) or this section.

(b) *Qualifications of verifiers.* (1) DOE envisions that independent verification will be performed by professional verifiers (i.e. individuals or companies that provide verification or "attestation" services). EIA will consider a re-

port to the program to be independently verified if:

(i) The lead individual verifier and other members of the verification team are accredited by one or more independent and nationally-recognized accreditation programs, described in paragraph (c) of this section, for the types of professionals needed to determine compliance with DOE's 1605(b) Guidelines; and

(ii) All members of a verification team have education, training and/or professional experience that matches the tasks performed by the individual verifiers, as deemed necessary by the verifier accreditation program.

(2) As further guidance, individual verifiers should have a professional degree or accreditation in engineering (environmental, industrial, chemical), accounting, economics, or a related field, supplemented by specific training and/or experience in emissions reporting and accounting, and should have their qualifications and continuing education periodically reviewed by an accreditation program. The skills required for verification are often cross-disciplinary. For example, an individual verifier reviewing a coal electric utility should be knowledgeable about mass balance calculations, fuel purchasing accounting, flows and stocks of coals, coal-fired boiler operation, and issues of entity definition.

(3) Companies that provide verification services must use professionals that possess the necessary skills and proficiency levels for the types of entities they provide verification services to. Maintaining such skills and proficiency levels may require continuing training to ensure all individuals have up-to-date knowledge regarding the tasks they perform.

(c) *Qualifications of organizations accrediting verifiers.* Organizations that accredit individual verifiers must be nationally recognized certification programs. They may include, but are not limited to the: American Institute of Certified Public Accountants; American National Standards Institute's Registrar Accreditation Board program for Environmental Management System auditors (ANSI-RAB-EMS); Board of Environmental, Health and Safety

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Auditor Certification: California Climate Action Registry; Clean Development Mechanism Executive Board; and the United Kingdom Accreditation Scheme.

(d) *Scope of verification.* As part of any independent verification, qualified verifiers shall use their expertise and professional judgment to verify for accuracy, completeness and consistency with DOE's guidelines of:

(1) The content of entity statements, annual reports and the supporting records maintained by the reporter;

(2) The representation in entity statements (or lack thereof) of any significant changes in entity boundaries, products, or processes;

(3) The procedures and methods used to collect emissions and output data, and calculate emission reductions (for entities with widely dispersed operations, this process should include on-site reviews of a sample of the facilities);

(4) Relevant personnel training and management systems; and

(5) Relevant quality assurance/quality control procedures.

(e) *Verification statement.* Both the verifier and, if relevant, an officer of the company providing the verification service must sign the verification statement. The verification statement shall attest to the following:

(1) The verifier has examined all components listed in paragraph (d) of this section;

(2) The information reported in the verified entity report and this verification statement is accurate and complete;

(3) The information reported by the reporting entity has been compiled in accordance with this part;

(4) The information reported on the entity report is consistent with information submitted in prior years, if any, or any inconsistencies with prior year's information are documented and explained in the entity statement;

(5) The verifier used due diligence to assure that direct emissions, emission reductions, and/or sequestration reported are not double reported by any other entity;

(6) Any emissions, emission reductions, or sequestration that were achieved by a third party are included

in this report, if and only if there exists a written agreement with each third party indicating that they have agreed that the reporting entity should be recognized as the entity entitled to report these emissions, emission reductions, or sequestration;

(7) None of the emissions, emission reductions, or sequestration reported is a product of shifting emissions to other entities or to non-reporting parts of the entity;

(8) No reported changes in avoided emissions associated with the sale of electricity, steam, hot or chilled water generated from non-emitting or low-emitting sources are attributable to the acquisition of a generating facility that has been previously operated, unless the base year generation values are derived from records of the facility's operation prior to its acquisition;

(9) The verifying entity will maintain sufficient records to document the analysis and calculations underpinning this verification for a period of no less than three years; and

(10) The independent verifier is not owned in whole or part by the reporting entity, nor provides any ongoing operational or support services to the entity, except services consistent with independent financial accounting or independent certification of compliance with government or private standards.

(f) *Qualifying as an independent verifier.* An independent verifier may not be owned in whole or part by the reporting entity, nor may it provide any ongoing operational or support services to the entity, except services consistent with independent financial accounting or independent certification of compliance with government or private standards.

### § 300.12 Acceptance of reports and registration of entity emission reductions.

(a) *Acceptance of reports.* EIA will review all reports to ensure they are consistent with this part and with the Draft Technical Guidelines (incorporated by reference, see § 300.13). Subject to the availability of adequate resources, EIA intends to notify reporters of the acceptance or rejection of